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Focus on climate change when Sweden's Prime Minister Fredrik Reinfeldt and British opposition leader David Cameron visit Scania

"Between 1970 and 2000, we halved carbon dioxide emissions per tonne-kilometre from our vehicles. By 2020 we will have done so again," said Scania's President and CEO Leif Östling today when Sweden's Prime Minister Fredrik Reinfeldt visited Scania with his British party colleague David Cameron.

During their visit, Mr Reinfeldt and Mr Cameron got a glimpse of Scania's work to reduce environmental and climate impact – everything from using biofuels to developing more efficient engines and training drivers in more fuel-efficient and safer driving techniques.

Scania has been in the forefront of efforts to develop more efficient engines and to reduce rolling and air resistance. In addition, Swedish authorities have increased the maximum permitted weight. As a result, between 1970 and 2000 Scania halved fuel consumption per tonne-kilometre for truck haulage. The company's goal is to halve fuel consumption once again by 2020.

Scania also invests in the development of engines powered by renewable fuels. All engines that Scania manufactures can operate on biodiesel, for example rapeseed methyl ester (RME).

For urban transport, Scania considers ethanol the most suitable alternative today. As the world's largest manufacturer of ethanol-powered city buses, Scania has good experience in this field and has delivered 600 such buses to date. Storstockholms Lokaltrafik (SL), the Stockholm regional public transport company, has operated ethanol buses in regular service since 1989, and trial operations with such buses are under way in a number of major cities around the world.

Scania also develops other cutting-edge technology. It is currently working on a very promising hybrid drive concept based exclusively on proven technology. Diesel, ethanol or gas-powered engines are supplemented with an electrical motor/generator for propulsion and energy recovery, as well as ultracapacitors for energy storage. This makes the powertrain very efficient, with potential fuel saving of 25 percent or more. Such hybrid vehicles are expected to be ready for marketing within a five-year period.

Scania also works with driver training, aimed at getting drivers to focus on safe driving and reduced fuel consumption. A well trained driver can reduce fuel

consumption by about 10 percent, and in addition there are major gains from better road safety.

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Scania is one of the world's leading manufacturers of trucks and buses for heavy transport applications, and of industrial and marine engines. A growing proportion of the company's operations consists of products and services in the financial and service sectors, assuring Scania customers of cost-effective transport solutions and maximum uptime. Employing 32,800 people, Scania operates in about 100 countries. Research and development activities are concentrated in Sweden, while production takes place in Europe and South America, with facilities for global interchange of both components and complete vehicles. In 2006, invoiced sales totalled SEK 70.7 billion and net income amounted to SEK 5.9 billion.

Scania press releases are available on the Internet at www.scania.com

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